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FM AMEMBASSY MANILA
TO RUEHC/SECSTATE WASHDC IMMEDIATE 4679
INFO RUEHPF/AMEMBASSY PHNOM PENH IMMEDIATE 0167
RUEHKL/AMEMBASSY KUALA LUMPUR IMMEDIATE 0563
RUEHJA/AMEMBASSY JAKARTA IMMEDIATE 6576
RUEHBJ/AMEMBASSY BEIJING IMMEDIATE 5951
RUEHKO/AMEMBASSY TOKYO IMMEDIATE 3020
RUEHGH/AMCONSUL SHANGHAI IMMEDIATE 0024
RUEHIN/AIT TAIPEI IMMEDIATE 1397
RHHMUNA/CDRUSPACOM HONOLULU HI IMMEDIATE

UNCLAS SECTION 01 OF 03 MANILA 000159

SIPDIS

SIPDIS M/DHGR FOR JENNY JERAS

E.O. 12958: N/A

TAGS: PREL ECON EAID AMGT OTRA RP

SUBJECT: SCENESETTER FOR THE VISIT OF DIRECTOR GENERAL AMBASSADOR GEORGE STAPLES

11. A warm welcome to the Philippines! The Manila Mission has developed a dynamic program for your January 23-26 visit including many opportunities for you to meet with groups of employees and individuals, as noted in the schedule submitted to your office.

Mission Community

- 12. Embassy Manila is home to 27 agencies with over 1300 employees. There are 253 direct hire U.S. employees, and 1,089 Locally Engaged Staff (LES). The size of the post, variety of positions available, and excellent schools make Manila a popular post for families and tandem couples.
- 13. Entry Level Officer/Specialist (EL) Program: The Mission has a very active EL development program, providing ELs with many opportunities to interact with the Ambassador and DCM and support them in their travel and activities. ELs attend Diplomatic Skills brown bag sessions, engage in public speaking and outreach, and sit as members on post boards and committees. An active mentor program pairs ELs with mid-level and senior-level officers.
- Until December, Consular ELOs in Manila participated in six-month excursion programs into other sections. Although CA advised these excursions are not currently possible due to consular work demand, ELOs have opportunities to interact with other sections and agencies by attending interagency working groups and meetings and working on special projects.
- 14. Local Staff: The Mission employs a large number of local staff, primarily within the Consular and Management sections, as well as Veteran's Affairs (the only VA office outside the U.S.). Many of the employees have been with the Mission for over a decade. In a country where the waiting time for some family-based immigrant visas is over 20 years, employees hold the Special Immigrant Visa opportunity in especially high regard. The U.S. Embassy Filipino Employee Association (USEFEA) is active in promoting LES issues and in scheduling social activities, such as the upcoming annual basketball tournament. LES were awarded a 2.19 percent salary increase this month following a salary survey, and the Mission is awarding a new LES medical insurance contract to improve coverage effective February 1.
- 15. Eligible Family Member (EFM) Employment: The Mission employs 33 EFMs. In addition, State has approved a new Strategic Networking Assistance Program (SNAP) Coordinator, and Mission is currently recruiting to fill this position. Mission hopes that this position will assist more EFMs to find jobs, either on the local economy or

- 16. Housing: Mission employees live on the Seafront compound, in gated communities, and in high-rise apartment buildings. Apartments and townhouses have access to gyms and swimming pools, while individual homes may have pools and usually have other facilities available within their gated neighborhoods.
- 17. Schools: Manila offers excellent educational options. 110 children attend the International School of Manila (ISM), 26 attend the Brent International School, and a few children attend other international schools, or are home-schooled. Amerikids preschool is located on the Seafront Compound, and is open to American Recreation Club members.
- 18. ISM has struggled with management issues in the last year, resulting in the previous school board firing the school superintendent, teachers walking out in dispute, and subsequent replacement of the board. The DCM is a very active member of the new board, and parents will vote on proposed improvements to ISM governance in February.
- 19. Medical Care: The Mission community utilizes our main clinic at the Seafront Compound and a smaller unit on the Chancery Compound, as well as many other local providers. The Mission community visits many local physicians who have completed some of their medical training in the U.S., adhere to U.S. standards, and use state-of-the-art testing equipment. Major health issues at post include tuberculosis, dengue fever, and gastrointestinal infections. Respiratory problems are very common due to heavy air pollution, mold caused by the humidity, and allergies due to tropical flora.

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The Office of Medical Services does not recommend Manila as a post for individuals with uncontrolled or severe asthma.

- 110. Transportation: The Mission has a large motor pool and offers shuttle services for employees to and from their homes. Traffic is unpredictable and heavy in Manila, and with new construction in some areas, is expected to worsen. Commute time for many mission employees is over 30 minutes, and during evening hours or rain can be much longer.
- 111. Natural Disasters: The Philippines has suffered many natural disasters in the past year, and the Mission has provided recovery support to the host country government. Typhoon Milenyo hit Manila in September, leaving many Mission employees without water and electricity for days. GSO provided significant support throughout, arranging hotel lodging to those without services and utilizing a variety of methods to maintain contact with the Mission community throughout the disaster.

THE PHILIPPINES

112. The Philippines, with almost 90 million people, has one of the fastest growing populations in Asia. Metro-Manila, home to 12 million people, is the largest city in a country made up of over 7,000 mainly mountainous islands.

The Philippines was a Spanish colony for almost 400 years, and, following the Spanish-American War, became a U.S. colony and subsequently commonwealth. The U.S. granted independence in 1946.

Filipinos have generally very positive feelings about the U.S. There are 2-4 million Filipino-Americans in the U.S., and Manila is one of the largest visa-issuing posts in the world. There are also an estimated 120,000 Americans living in the Philippines, plus approximately 100,000 American visitors at any moment.

113. Political: The Philippines political situation has been turbulent at times, including unsuccessful impeachment efforts in

September 2005 and September 2006, and a thwarted coup plot that led to President Arroyo's week-long declaration of a "State of National Emergency" in February 2006. President Arroyo has since strengthened her political position as the economy has improved. Meanwhile, political leaders are focusing on mid-term Congressional elections this May. President Arroyo's term of office ends in <u>1</u>2010.

114. Economics and Trade: The U.S. remains the Philippines' largest overall trading partner, with about \$16 billion in two-way merchandise trade. Major U.S. exports include electronics and agriculture. The U.S. is also the largest investor here, with over \$6 billion in assets.

Over the last year, the Philippines has been economically stable and has made progress on reducing its massive government debt, still about 90 percent of GDP. The Millennium Challenge Corporation has designated the Philippines as a Threshold Country, and the U.S. and Philippine governments in 2006 signed a \$21 million agreement under that program, focused on anti-corruption initiatives.

The United States is the largest donor of foreign aid to the Philippines, chiefly through the programs of USAID. The primary goals of U.S. development assistance are to assist in economic growth, anti-corruption, environmental protection, poverty alleviation, education, and health. The Philippines hosts the second-oldest Peace Corps program in the world (established in 1961), and over one hundred volunteers currently serve throughout the country.

 $\underline{\P}$ 15. Security and Terrorism: The Philippines is home to three organizations the U.S. designates as Foreign Terrorist groups: Jemaah Islamiyah, the Abu Sayyaf Group, and the New People's Army. The first two groups are most active in the poor and predominately Muslim regions of Mindanao and the Sulu Archipelago. Mission members may not travel in Mindanao without special RSO approval.

The Mission works closely with the Philippine government to develop the capacity of the police and Armed Forces of the Philippines to combat terrorists. USAID devotes nearly 60 percent of its \$70 million FY06 assistance budget to the southern islands of Mindanao, where it focuses on reintegrating former combatants and promoting economic growth, business opportunities, education, health and local

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governance. USAID has carried out a range of highly successful programs, including "Arms to Farms," which reintegrated over 28,000 former fighters back into civil society as successful farmers.

116. Recent Marine Case: Following a guilty verdict in a highly publicized case against a U.S. Marine on rape charges in December, Filipino police apprehended and jailed the U.S. serviceman, in violation of the 1999 U.S. - Philippines Visiting Forces Agreement (VFA). In explicit recognition of the value the Philippine government places on its strategic alliance with the U.S. in the fight against terror and poverty, as well as the importance of upholding obligations under international agreements, the Philippine government relinquished custody of the Marine back to the U.S. Embassy even without court approval. The case is now at the appeals stage.

Conclusion

117. Mission Manila appreciates the amount of time you have allotted for your trip in Manila. Individuals are signing up to meet with you, and groups look forward to hearing from you, and sharing thoughts with you as well.